ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of the Bilateral Agreement
between the United States and Korea

Note by the Chairman

Attached is a notification received from the United States of further modification of its bilateral agreement with Korea. The parties agreed to the inclusion of man-made fibre luggage (Category 670-L) and subject to a specific limit. This modification supersedes the Article 3:5 measure taken by the United States.

1 The original bilateral agreement and previous modifications are contained in COM.TEX/SB/860, 889, 914, 941 and 969

2 See COM.TEX/SB/953, 978 and 983

*English only/Anglais seulement/Inglés solamente
The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
Rue De Lausanne 154
1211 Geneva

Dear Mr. Chairman:

Attached hereto are copies of the letters exchanged between the governments of the United States of America and Korea with respect to Category 669-P (Polypropylene bags) and Category 670-L (man-made fiber luggage).

The limit for Category 670-L stemmed from consultations requested by the United States on January 9, 1984 pursuant to Article 3 of the Arrangement. The reasons and rationale for this request were set out in Tex. SB/960/Add.1.

This matter was discussed by the TSB at its seventh and twelfth meetings of 1984, and this notification confirms the oral reports made to the TSB by Korea and the United States of America at the thirteenth meeting that the two parties had reached a mutually satisfactory agreement with respect to this category.

The action with respect to Category 669-P reduces the limit earlier established in light of the subsequent utilization pattern of Export Recommendations.

Sincerely,

[Signature]
Robert E. Shepherd
Minister-Counselor

Enclosures:
As stated
UNITED STATES AND REPUBLIC OF KOREA
AMEND BILATERAL TEXTILE AGREEMENT

The United States and the Republic of Korea exchanged letters dated July 26 and July 27, 1984 to amend the existing Bilateral Textile Agreement. The text of the letters follow:

UNITED STATES LETTER

Washington
July 26, 1984

Mr. Deuk Hwan Yu
Commercial Attache
Embassy of Korea
2320 Massachusetts Avenue, N.W.
Washington, D.C. 20008

Dear Mr. Yu:

I refer to our Governments' Agreement on Trade in Cotton, Wool and Man-Made Fiber Textile and Textile Products (the Agreement) and to my Government's request for consultations on man-made fiber luggage pursuant to Article Three of the Arrangement Regarding International Trade in Textiles, with annexes, done at Geneva on December 20, 1973, and extended by protocol adopted on December 22, 1981 at Geneva, concerning exports from Korea to the United States of man-made fiber luggage. I also refer to the Memorandum of Understanding initialled by representatives of our Governments on July 20, 1984 in Washington.

It is the understanding of my Government that the following was agreed during consultations held in Washington, D.C. on July 17-20, 1984:
1. The 1984 specific limit for Category 669-P (Polypropylene bags) shall be 3,587,500 pounds, with 2.5 percent annual growth for the remainder of the Agreement.

2. Man-made fiber luggage shall be administered under the Agreement as Part-Category 670-L subject to a specific limit as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Conversion Factor</th>
<th>Unit of Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>670-L</td>
<td>Luggage (T.S.U.S.A. Numbers 706.4144, 706.4152)</td>
<td>2.0</td>
<td>Pounds</td>
</tr>
</tbody>
</table>

During the period March 1-December 31, 1984, the Government of the Republic of Korea shall limit exports from Korea to the United States of Category 670-L to 25,600,000 pounds. For 1985, the limit for Category 670-L shall be 22,000,000 pounds, with 2.5 percent annual growth for the remainder of the Agreement.

3. Category 670-L shall be incorporated into the visa and certification arrangement between our two Governments.

I would appreciate your confirmation that the above corresponds to the understanding of your Government.

Sincerely,

James T. Schollaert
Acting Chief, Textiles Division
Bureau of Economic and Business Affairs
James T. Schollaert  
Acting Chief, Textiles Division  
Bureau of Economic and Business Affairs  
Department of State  
Washington, D.C. 20520

Dear Mr. Schollaert:

With reference to your letter of July 26, 1984, I am pleased to confirm that the following conforms to the understanding of my Government:

1. The 1984 specific limit for Category 669-P (Polypropylene bags) shall be 3,587,500 pounds, with 2.5 percent annual growth for the remainder of our Governments' Agreement on Trade in Cotton, Wool and Man-Made fiber Textile and Textile Products (the Agreement).

2. Man-Made fiber luggage shall be administered under the Agreement as Part-Category 670-L subject to a specific limit as follows:

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During the period March 1 - December 31, 1984, the Government of Korea shall limit exports from Korea to the United States of America of Category 670-L to 25,600,000 pounds. For 1985, the limit for Category 670-L shall be 22,000,000 pounds, with 2.5 percent annual growth for the remainder of the Agreement.

3. Category 670-L shall be incorporated into the visa and certification arrangement between our two Governments.

Sincerely,

Deuk Hwan Yu  
Commercial Attaché